

## FIRST AMERICAN—ALL YOU NEED TO KNOW

WWW.FIRSTAM.COM/INVESTOR

## FOURTH QUARTER 2004 FACT SHEET ▼ NYSE: FAF

## CONTINUED GROWTH DRIVEN BY A STRONG FOCUS ON SHAREHOLDER VALUE

## FINANCIAL STATISTICS

52-week range:	\$37.82-\$24.29
Market capitalization* (4Q04):	\$3.35 billion
Average shares outstanding (diluted 4Q04):	93.3 million
Dividend/yield*:	\$0.60/1.68%
EPS (diluted 4Q04)**:	\$0.76
EPS (diluted YE04)**:	\$3.83
EPS (consensus est. YE05):	\$3.57
P/E (consensus est. YE05)*:	10.0
Book value (4Q04):	\$27.53

\*Based on \$36.00 stock price.

\*\*Includes pretax charges of \$37.3 million, \$24.3 million or \$.26 per diluted share on an after-tax basis, for previously disclosed litigation matters and an accrual for a voluntary payment to policy holders.

## MANAGEMENT GOALS

- ▼ Sustain earnings
- ▼ Grow national market share
- ▼ Improve margins with data and technology solutions that enable centralized, offshore production
- ▼ Achieve 10% margins in title insurance despite a weaker mortgage application market
- ▼ Maintain favorable debt-to-capital ratio
- ▼ Deliver 12% return on equity
- ▼ Use cash to maximize shareholder value through stock repurchases and key acquisitions
- ▼ Increase recognition and valuation of data services



**Parker S. Kennedy**  
Chairman of the Board  
and Chief Executive Officer

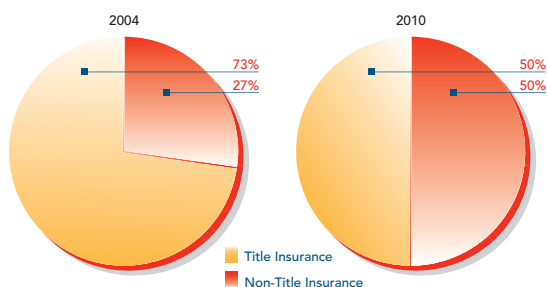
## From The Chairman

We achieved strong results during 2004, despite a 25 percent drop-off in mortgage applications. In the fourth quarter, new order activity in the company's direct title insurance operations increased 26 percent over the fourth quarter of last year. We will see the results of this surge of activity in the first quarter of 2005. Improved operating efficiencies, coupled with market share improvement in all of the company's business segments, enhanced First American's overall performance. We are very proud of the strong, successful, diversified database businesses we have

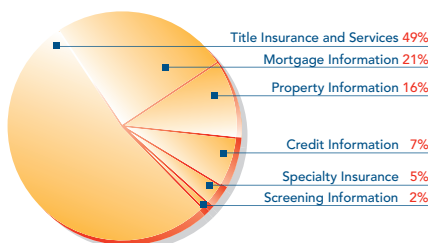
built. In 2005, we will continue to pursue our key initiatives to maintain strong profits despite a weaker mortgage application market. These key initiatives include bundling of multiple products and services for the mortgage industry, maximization of our FAST Technology to enhance production efficiencies, and strategic acquisitions to expand data capabilities and increase overall market share. As we pursue these initiatives, we continue to differentiate First American from the other information providers and create opportunities for margin expansion.

Our outlook for 2005 remains very good. 10-year yields continue at a level that can support a strong real estate market. The MBA predicts that mortgage volume in 2005 will be \$2.5 trillion, compared to \$2.9 trillion in 2004. While any decline will have an effect on our mortgage-related businesses, we feel confident that our less cyclical divisions will ensure a good year for First American in 2005.

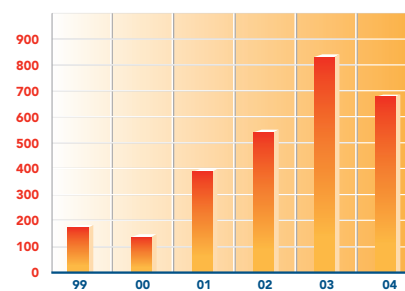
Parker S. Kennedy

GROWTH AND DIVERSIFICATION STRATEGY  
TOTAL REVENUES

It is our goal to have our non-title information technology services generate 50 percent of First American's revenues by the year 2010. These diversified data businesses will boost margins and sustain profitability.

2004 INCOME BEFORE INCOME TAXES, MINORITY INTERESTS,  
AND CORPORATE EXPENSES BY BUSINESS SEGMENT

First American's real estate-related businesses are expertly positioned to meet the challenges of any economic cycle. Technology solutions, bundling of products, and international production enable the company to generate cost savings and operate more efficiently.

CASH FLOWS FROM OPERATING ACTIVITIES  
(\$ IN MILLIONS)

Strong cash flows provide financial flexibility to pursue acquisitions, implement stock repurchases, and maintain or increase the dividend. First American has committed up to \$100 million to repurchase shares.



## The First American Corporation

The Nation's Data Provider

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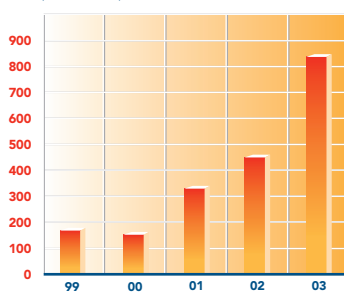
## CONSOLIDATED SUMMARY STATEMENTS OF INCOME UNAUDITED

<i>(in thousands, except per share amounts)</i>	Q4 04	Q3 04	Q2 04	Q1 04	Q4 03
<b>Results of Operations</b>					
<b>Operating revenues</b>					
<i>Financial Services</i>					
Title Insurance and Services	\$1,304,278	\$1,215,159	\$1,234,283	\$1,032,316	\$1,134,464
Specialty Insurance	60,384	61,617	51,847	46,492	55,074
Total Financial Services	1,364,662	1,276,776	1,286,130	1,078,808	1,189,538
<i>Information Technology</i>					
Mortgage Information	159,280	171,698	167,649	154,935	182,847
Property Information	110,033	100,181	99,525	91,977	88,017
Credit Information	57,126	60,322	62,912	62,452	53,143
Screening Information	68,127	71,910	68,882	57,361	49,865
Total Information Technology	394,566	404,111	398,968	366,725	373,872
Total operating revenues	1,759,228	1,680,887	1,685,098	1,445,533	1,563,410
Investment and other income	43,111	35,541	36,237	26,907	12,939
Net realized investment gains	678	5,057	2,718	1,331	35,717
Total revenues	1,803,017	1,724,485	1,724,053	1,473,771	1,612,066
Expenses	1,658,059	1,519,480	1,504,862	1,362,641	1,437,349
Income before income taxes and minority interests	\$ 144,958	\$ 202,005	\$ 219,191	\$ 111,130	\$ 174,717
<b>Income Before Income Taxes and Minority Interests</b>					
<i>Financial Services</i>					
Title Insurance and Services	\$ 76,194	\$ 123,509	\$ 140,497	\$ 58,577	\$ 101,947
Specialty Insurance	8,988	8,334	11,653	12,444	7,304
Total Financial Services	85,182	131,843	152,150	71,021	109,251
<i>Information Technology</i>					
Mortgage Information	43,839	52,690	47,992	30,347	65,325
Property Information	35,678	30,309	32,955	27,518	22,530
Credit Information	12,421	15,172	12,022	14,998	4,726
Screening Information	4,777	7,177	5,537	1,102	(1,753)
Total Information Technology	96,715	105,348	98,506	73,965	90,828
Total before corporate expenses	181,897	237,191	250,656	144,986	200,079
Corporate expenses	36,939	35,186	31,465	33,856	25,362
Income before income taxes and minority interests	144,958	202,005	219,191	111,130	174,717
Income taxes	55,700	70,800	79,300	37,400	60,800
Minority interests	18,856	23,990	23,365	18,774	19,798
Net income	\$ 70,402	\$ 107,215	\$ 116,526	\$ 54,956	\$ 94,119
Diluted earnings per share	\$ 0.76	\$ 1.17	\$ 1.27	\$ 0.62	\$ 1.07
Average common shares assuming dilution	93,306	91,594	92,083	90,652	89,690

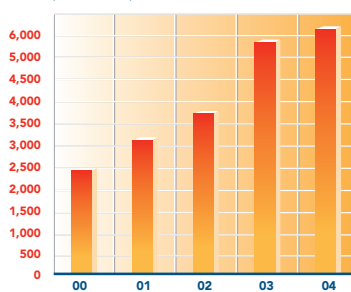
## SELECTED FINANCIAL DATA UNAUDITED

<i>(in thousands, except percentages and per share amounts)</i>	YE 04	YE 03	YE 02	YE 01	YE 00
Revenues	\$6,722,326	\$6,213,714	\$4,704,209	\$3,750,723	\$2,934,255
Net income	\$ 349,099	\$ 451,022	\$ 234,367	\$ 167,268	\$ 82,223
Total assets	\$6,208,365	\$4,892,111	\$3,398,045	\$2,837,263	\$2,199,737
Notes and contracts payable	\$ 732,770	\$ 553,888	\$ 425,705	\$ 415,341	\$ 219,838
Stockholders' equity	\$2,463,564	\$1,879,520	\$1,364,589	\$1,104,452	\$ 870,237
Return of average stockholders' equity	16.1%	27.8%	19.0%	16.9%	9.8%
Cash dividends per common share (diluted)	\$ 0.60	\$ 0.50	\$ 0.33	\$ 0.27	\$ 0.24
Net income per share (diluted)	\$ 3.83	\$ 5.22	\$ 2.92	\$ 2.27	\$ 1.24

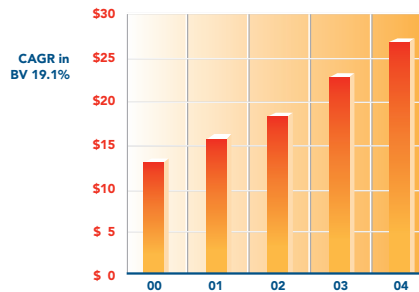
INCOME BEFORE INCOME TAXES, MINORITY INTERESTS AND CUMULATIVE EFFECT OF A CHANGE IN ACCOUNTING PRINCIPLE  
(\$ IN MILLIONS)



TOTAL ASSETS  
(\$ IN MILLIONS)



FINANCIAL PERFORMANCE  
GROWTH IN BOOK VALUE



Certain statements made in this document, including those related to key initiatives and the company's less cyclical divisions, are forward looking. Risks and uncertainties exist that may cause results to differ materially from those set forth in these forward-looking statements. Factors that could cause the anticipated results to differ from those described in the forward-looking statements include: interest rate fluctuations; changes in the performance of the real estate markets; limitations on access to public records and other data; general volatility in the capital markets; changes in applicable government regulations; consolidation among the company's significant customers and competitors; the company's continued ability to identify businesses to be acquired; changes in the company's ability to integrate businesses which it acquires; and other factors described in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2004, as filed with the Securities and Exchange Commission. The forward-looking statements speak only as of the date they are made. The company does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.